

RECORDATION NO. 20462 FILED 1/25
JAN - 6 1997 - 4 05 PM

December 23, 1996

Secretary
Surface Transportation Board
Washington, D.C. 20423-0001

Re: **Memorandum of Lease Agreement**

Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated May 1, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

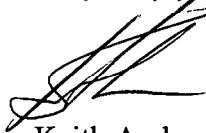
Lessee: Farmland Industries, Inc.
P.O. Box 7305 Dept # 136
Kansas City, MO 64116

A description of the railroad equipment covered by the enclosed document is set forth on Schedule I attached hereto.

Also enclosed is a check in the amount of \$21.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original of the enclosed document to the undersigned.

Very truly yours,



Keith Andersen
Manager-Documentation

SCHEDULE 1 - DESCRIPTION OF EQUIPMENT

04-Dec-96

<u>ASSIGNMENT</u>	<u>CARINIT</u>	<u>CARNUM</u>	<u>CARTYPE</u>	<u>NO OF CARS</u>
-------------------	----------------	---------------	----------------	-------------------

FARM001

FURX	000057	C214	1
FURX	000056	C214	1
FURX	000050	C214	1
FURX	000038	C214	1
FURX	000026	C214	1
FURX	000022	C214	1
FURX	000021	C214	1
FURX	000017	C214	1

Grand Total:

8

0129A

RECORDATION NO. 20462 FILE # 111627

JAN - 6 1997 - 4 05 PM

Memorandum of Lease

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 1st day of May, 1996, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and FARMLAND INDUSTRIES INC. ("Lessee"), a Kansas corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of May 01, 1996, whereby Lessor has agreed to lease to Lessee certain railcars being described in more particular on Exhibit A attached hereto, effective as of the date set forth above and subject to the terms, conditions and provisions of said Lease.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]

Name: JOHN J. THOMAS

Title: PRESIDENT

By: [Signature]

Name: Michelle Berg

Title: Office Manager

Executed on this 23 day of December, 1996.

[CORPORATE SEAL]

ATTEST:

LESSEE:
(NAME OF CORPORATION)

By: Halek Johnson

Name: DALE R. JOHNSON

Title: MGR. RAIL FLEET Executed on this 17 day of Dec, 1996.

By: FARMHAND INDUSTRIES

Name: Lynn S. Beecher

Title: DIR. RAIL TRANSP.

(CORPORATE SEAL)

STATE OF Missouri

COUNTY OF Jackson

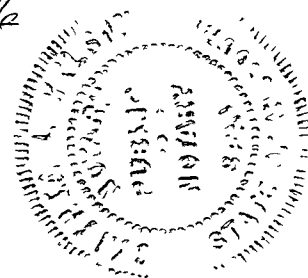
I, CYNTHIA L. WILSON, a Notary Public of the County and State aforesaid,
certify that LYNN S. BEECHER / DALE R. JOHNSON personally came before me this day.

Subscribed and sworn to before me, this 17 day of December, 1996

CYNTHIA L. WILSON
NOTARY PUBLIC STATE OF MISSOURI
JACKSON COUNTY

My Commission Expires MY COMMISSION EXP. SEPT 6, 1998

Cynthia L. Wilson
Notary Public



0129A

STATE OF Illinois

COUNTY OF Cook

I, Michelle Berg, a Notary Public of the County and State aforesaid,
certify that John J. Thomas personally came before me this day.

Subscribed and sworn to before me, this 23 day of December, 1996.

My Commission Expires 7/18, 1998.

Michelle Berg
Notary Public

